VZCZCXYZ0001 OO RUEHWEB

DE RUEHSF #0101/01 0711157
ZNY CCCCC ZZH
O 121157Z MAR 09
FM AMEMBASSY SOFIA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5827
INFO RUEHZG/NATO EU COLLECTIVE IMMEDIATE
RUEHMO/AMEMBASSY MOSCOW IMMEDIATE 0631
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC IMMEDIATE
RHMFISS/HQ USEUCOM IMMEDIATE
RUEKJCS/JOINT STAFF WASHINGTON DC IMMEDIATE
RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE
RUEHNO/USMISSION USNATO IMMEDIATE 1021

CONFIDENTIAL SOFIA 000101

NOFORN SIPDIS

E.O. 12958: DECL: 03/10/2029

TAGS: PGOV PREL MARR BU

SUBJECT: BULGARIA: F-16 ENDGAME

REF: A. 2008 SOFIA 305 **1**B. 2008 SOFIA 453

Classified By: Ambassador McEldowney for reasons 1.4 (b) and (d)

- (C/NF) SUMMARY: Bulgaria is in the final sprint of a ten-year marathon to acquire new fighters. A successful deal on F-16s will lock in a NATO-reinforcing U.S.-Bulgaria defense relationship for at least a generation. Without it, we will have a hole in NATO's southern tier: Bulgaria will either maintain its crippled and expensive MiG-29 fleet and remain wholly dependent on Russia; or Bulgaria will opt for Gripen to get lucrative offsets. Neither is in U.S. strategic interests. We are now on track to deliver a Letter of Offer and Acceptance (LOA) to Bulgaria by mid-April. By then, Bulgaria will have announced the date for its 2009 parliamentary elections; politicians will have survival foremost in mind. We must quickly present the best, lowest cost deal possible to avoid politicization during the campaign and allow the government to justify its decision to its public. A timely, low cost LOA will help the Defense Minister and other F-16 backers prevail over instinctively pro-Russian generals and offset-minded politicians who want to steer Bulgaria away from the U.S. END SUMMARY.
- 12. (C/NF) Bulgaria's embattled government is fast closing up books as it heads to summer 2009 elections. One critical decision it has to make in its final days is the acquisition of multirole aircraft. What has been a ten year effort is coming down to months and weeks. Miss this window and we'll have to wait for a new government and re-start the process in what will likely be a more difficult political environment with a fractious government and parliament. The stakes are high: whether Bulgaria has a NATO interoperable Air Force and locks in a generational relationship with the United States or whether we tolerate a hole in NATO's Black Sea frontier. Today, the Bulgarian Air Force is incapable of participating in NATO air missions outside its borders and cannot operate without Russian support. Its fleet of aging MiGs is completely dependent on Russia for all aspects of operations and could be grounded instantly with a word from Moscow a move President Medvedev specifically threatened to take should Bulgaria restart arms sales to Georgia.
- 13. (C/NF) The Bulgarian government has categorically ruled out elimination of its Air Force. It is determined to modernize it, and will allocate resources to do so. Its decisions over the next few months will determine the shape of the Bulgarian Armed Forces for a generation. It is in the U.S. strategic interest to ensure Bulgaria transitions to a U.S. aircraft, locking it into a relationship with us that will continue to deepen over time. Supporters of the F-16 buy do not see this as merely an airplane, but rather a

chance to completely overhaul a non-functioning portion of their defense establishment; to make doctrine NATO-interoperable; remove Russian-trained generals; and expand U.S. training cooperation. Bulgaria agreed in 2006 to allow U.S. forces access to its training facilities. The Bulgarians are now interested in significantly expanding bilateral Air Force cooperation and even creating a multilateral hub for air training, giving the U.S. and NATO partners access to unencumbered airspace and new training opportunities that most other allies cannot offer.

- 14. (C/NF) The Defense Minister has made it clear that his first choice is a U.S. fighter, specifically the F-16. But should this prove impossible, Bulgaria will either continue to pour money into MiG fighters (at least \$100 million a year for maintenance, parts, etc.) remaining dependent on Russia and paying a steep premium for the privilege; or it will opt for the generous offset packages of a European fighter, but end up with a fleet of non-supportable and less-capable fighters. Bulgaria has heard the arguments that it should not spend its scarce resources on fighters at all and cease to have an Air Force, but this is a political impossibility. Bulgaria will purchase fighters. The only question is from whom.
- ¶5. (C/NF) The F-16 is the clear choice of many key decisionmakers here, but there are forces actively working to undermine the purchase. Russian interests and rival companies will rail against it, as will others on economic grounds. We must present Bulgaria with a LOA that has the lowest possible cost no later than mid-April. That will provide the government the scope and space to decide before elections and keep the issue from being overly politicized. If a decision slips, then prospects for any U.S. deal erode badly) the dynamics of the campaign, election, and future government formation (likely a weak co-habitation coalition) will stall defense decisions indefinitely. Delay means Russian influence will remain deep in the Bulgarian defense establishment. Decisive action through a well crafted LOA will cement a long-term security relationship in a strategically important corner of Europe. McEldowney